

African Trade Initiative



African Trade Initiative

Miami-Dade County is poised to play a key role as the geographic and economic bridge for the trade blocks of Africa, Caribbean Basin and Latin America. The Port of Miami has signed the International Sister Seaport Agreements with Port of Apapa, Nigeria; Port of Casablanca, Morocco; and the Ports of Durban & Cape town in South Africa.

This blueprint outlines **ITC's African Initiative** plan of action - to proactively engage in the region's trade and increase economic opportunities for both regions. Africa's economy grew by 4.4 percent in 2004, with virtually all countries reporting positive growth. The region was projected to grow by 4.1 percent in 2005 as the benefits of past reforms and a more peaceful environment continue to translate into expanded economic activity.

Two way trade between the United States and Sub-Saharan Africa continues to rise since 2002. Most of this trade is concentrated in the AGOA-eligible countries and petroleum producing nations. Thirteen [13] of the United States' top 100 trade partners are African nations. U.S. trade volume with Africa and their respective rankings are shown in the table below:

Rank	22	33	36	38	63	73	75	76	79	82	89	90	99
Country	Nigeria	Algeria	South Africa	Algeria	Gabon	Equatorial Guinea	Congo Brazzaville	Libya	Chad	Ivory Coast	Kenya	Morocco	Ethiopia
Amount	\$25.8b	\$11.5b	\$9.7b	\$9.4b	\$2.9b	\$1.8b	\$1.7b	\$1.6b	\$1.5b	\$1.3b	\$0.98b	\$0.97b	\$0.57b

Source: www.worldcityweb.com - U.S top 100 trade partners - 2005

Miami Dade County's top 5 African trade partners are shown in the table below:

Rank	46	89	91	95	98
Country	South Africa	Nigeria	Kenya	Namibia	Morocco
Amount	\$152m	\$16m	\$15m	\$12m	\$10m

Source: www.worldcityweb.com - Miami-Dade County: Top 100 trade partners - 2004

2006/2007 Plan of Action

The objective of the **Africa Trade Initiative** is to develop and expand trade and commerce with markets in Africa. The following goals listed below are action steps for achieving the stated objective:

- Conduct **one** out-bound trade mission to Africa by May, 2007.
- Host and Support **one** in-bound trade mission from Africa by December 31, 2006.
- Assist with the establishment of a Sister Cities relationship with an African city by September 2007.
- Initiate contacts and establish collaborative agreements with African governments, agencies and the African Union [AU].
- Promote Miami-Dade County as the "Gateway to Africa" and destination for business and tourism.
- Promote and support the International Sister Seaports Agreement between Miami-Dade County and the African County.
- Support the development of direct air route development between Miami-Dade County and Africa
- Participate in regional economic development and trade programs such as New Partnership for Africa's Development [NEPAD], Commonwealth of Nations, Economic Community of West African States [ECOWAS], Southern African Development Council [SADC], Common Market for East & Southern Africa [COMESA], etc.
- Establish strategic partnerships with African private agencies, Bi-National Chambers of Commerce, civil societies or non-profit organizations based in South Florida, etc.
- Support and provide assistance to approved strategic partners through trade programs, conferences, and symposia/workshops that economically benefit Africa and positively impacts Miami-Dade County.

For additional information about the ITC - African Trade Initiative please contact:

Desmond Alufohai, CMP

International Business Manager - Jay Malina International Trade Consortium of Miami-Dade County

305.375.3526; Alufoha@miamidade.gov

Background

Trade is a key engine of development for the African continent and American and European policymakers must consider the impact of fair trade policies on people in the developing world. Two very important multilateral trade agreements are vital to achieving this goal. The Lome Convention and African Growth & Opportunities Act.

Lome Convention

The Lome Convention is an international aid and trade agreement between the African Caribbean and Pacific Countries [ACP] group and the European Union aimed at supporting the "ACP states' efforts to achieve comprehensive, self reliant and self-sustained development. Four such Conventions have been signed to date . The first Convention (Lome I) was signed on February 28, 1975. Lome II and III were signed in 1979 and 1985 respectively.

The current Convention, the LOME IV covers the period from 1990 to 2000 and is the most extensive development co-operation agreement between North and Southern countries both in term of scope (aid and trade) and the number of signatories.

African Growth And Opportunities Act [AGOA]

The African Growth and Opportunity Act (AGOA) was signed into law on May 18, 2000 as Title 1 of The Trade and Development Act of 2000. The Act offers tangible incentives for African countries to continue their efforts to open their economies and build free markets. President Bush signed amendments to AGOA, also known as AGOA II, into law on August 6, 2002 as Sec. 3108 of the Trade Act of 2002. AGOA II substantially expands preferential access for imports from beneficiary Sub-Saharan African countries.

AGOA provides reforming African countries with the most liberal access to the U.S. market available to any country or region with which the United States does not have a Free Trade Agreement. It supports U.S. business by encouraging reform of Africa's economic and commercial regimes, which will build stronger markets and more effective partners for U.S. firms. AGOA can change the course of trade relations between Africa and the United States for the long term, while helping millions of African families find opportunities to build prosperity.

The impact of the African Growth and Opportunities Act [AGOA] protocols and multilateral trade agreements between the United States and Sub-Saharan African nations and the existence of preferential trade initiatives between the EU and ACP nations, as stipulated in the Lome Conventions, cannot be overemphasized.